



# Chemical Weapons Convention Bulletin

Bureau of Industry and Security

## The Final Rule Amending the CWC:

### Summary of CWC Changes

On April 27, 2006 the Bureau of Industry and Security (BIS) amended the CWC Regulations (CWC) (15 CFR 710 et seq.). The following is a summary of the final rule:

#### **Part 710 - General Information and Overview of the Chemical Weapons Convention Regulations**

*Definitions* – The final rule adds and/or clarifies definitions for the following terms. The terms denoted with an asterisk (\*) are treaty specific; the other terms are used for general CWC implementation.

- advance notifications of Schedule 1 chemicals\*
- inspection notification
- inspection site
- intermediate and transient intermediate chemicals\*
- International Traffic in Arms Regulations (ITAR)
- production of Schedule 1, 2 and 3 chemicals\*
- production by synthesis\*
- protective purposes in relation to Schedule 1 chemicals

*Scope* – The final rule clarifies in §710.2 that all persons and facilities located in the United States, except the noted U.S. Government facilities, are subject to the CWC. Previously, the scope of the CWC was in terms of those persons or facilities required to submit declarations, reports or advance notifications.

*List of States Parties* – The final rule updates Supplement No. 1, List of States Parties to the CWC, to add new countries that have acceded to the treaty.

*Definitions of Production* – The final rule adds a new Supplement No. 2, Definitions of Production, in which the different treaty definitions of production in relation to Schedule 1, 2 and 3 chemicals and unscheduled discrete organic chemicals (UDOCs) are provided in table format.

#### **Part 711 - General Information Regarding Requirements for Declaration, Report, Advance Notifications and Electronic Filing of Declarations and Reports**

*Compliance Review* – The final rule adds a new §711.3 to

clarify that BIS may request information from persons and facilities subject to the CWC (see §710.2) to determine their compliance with the production, processing, consumption, export, and import requirements of the CWC. Any person or facility subject to the CWC and receiving such a request for information will be required to provide a response to the Department of Commerce within 30 working days. This requirement does not, in itself, impose a requirement to create new records or maintain existing records. However, BIS may request such persons or facilities to submit records in support of such compliance reviews.

*Submission of Electronic Declarations and Reports* – The final rule adds a new §711.7 to provide addresses for submission of declarations, reports and notifications. The current §711.7 is renumbered to §711.8 (electronic submissions of declarations or reports). In addition, facilities may submit paper declarations, reports and amendments. Paper forms are available for downloading from the internet or facilities may contact BIS to request a mailing of the forms.

#### **Part 712 -- Activities Involving Schedule 1 Chemicals**

*Protective Purposes* – The final rule adds a new restriction clarifying that, Schedule 1 chemicals may not be produced for protective purposes, in accordance with the CWC. (A definition for protective purposes is also added to Part 710.) Previously, the CWC did not specify for which activities a Schedule 1 chemical may be produced.

*Advance Notifications for Exports and Imports of Schedule 1 Chemicals* – The final rule clarifies that advance notifications for proposed exports or imports of 5 milligrams or less of saxitoxin for medical/diagnostic purposes must be submitted to BIS at least 3 days prior to transfer in accordance with an Organization for the Prohibition of Chemical Weapons (OPCW) decision. Previously, the CWC required a 45 day advance notification for export or import of all Schedule 1 chemicals.

*Schedule 1 Initial Declarations* – The final rule clarifies that Initial Declarations submitted in February 2000 remain valid until rescinded. The final rule further clarifies that new facilities, intending to produce more than 100 grams aggregate, must submit an initial declaration at least 200



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days in advance of commencing such activity.

**Amendments** – The final rule clarifies the requirements and deadlines for submission of amendments to declarations and reports when there are changes to: 1) chemicals and activities; 2) export and import information; 3) ownership of a company or facility; and 4) internal company information, such as the declaration or inspection points of contact. Additionally, the final rule adds a new requirement and deadline for submission of amendments resulting from an inspection finding. These changes also are made in Parts 713 (Schedule 2), 714 (Schedule 3), and 715 (UDOCs).

**Declarations and Reports Returned Without Action** – The final rule adds a new provision for returning without action (RWA) declarations and reports that BIS determines are not required under the CWC. This provision codifies BIS's practice of returning such declarations and reports in order to protect confidential business information. These changes also are made in Parts 713 (Schedule 2), 714 (Schedule 3), and 715 (UDOCs).

**Supplement No. 2 to Part 712 - Table on Deadlines for Submission of Declarations, Advance Notifications, Reports, and Amendments** – The final rule adds a new Supplement 2 in which updated due dates for submission of declarations, advance notifications, reports and amendments are outlined in table format. Previously, the CWC contained this same information under a different provision. Additionally, the due date for Schedule 1 Annual Declarations on Anticipated Activities (ADAA) is changed from August 3<sup>rd</sup> to September 3<sup>rd</sup> thereby increasing the reporting time period by 30 calendar days and aligning with the ADAA deadlines for Schedule 2 and 3. Corresponding changes also are made to address Parts 713 (Schedule 2), 714 (Schedule 3), and 715 (UDOCs).

## **Part 713 -- Activities Involving Schedule 2 Chemicals**

**Prohibition on Exports and Imports** – The final rule updates the prohibition against exports of Schedule 2 chemicals to States not Party to the CWC.

**Exemption on Exports and Imports of Schedule 2 Mixtures** – The final rule implements an OPCW decision by clarifying that mixtures containing 1% or less by weight of a Schedule 2A chemical or 10% or less by weight of a

Schedule 2B chemical are exempt from the Schedule 2 export/import prohibition (above) and may be exported to or imported from a State not Party to the CWC. The final rule also adds a clarification that products containing Schedule 2 chemicals that are identified as consumer goods packaged for retail sale for personal use or packaged for individual use are exempt from the prohibition on export to or import from a State not Party to the CWC.

**Initial Declarations and Reports and Declarations on Past Production of Schedule 2 Chemicals for Chemical Weapons Purposes** – The final rule removes the reporting requirement for: 1) Initial Declarations; 2) Initial Reports on Exports and Imports; and 3) Declaration on Chemicals Produced for Chemical Weapons Purposes. These declarations and reports involved a one-time reporting requirement that has been completed and is, therefore, no longer applicable. These changes are also made in Parts 714 (Schedule 3) and 715 (UDOCs).

**Production** – The final rule implements an OPCW decision by clarifying the scope of production activities to include 1) any associated processing steps of the Schedule 2 chemical and 2) intermediates. Only transient intermediates are exempted. This will ensure that the CWC requirements will apply to Schedule 2 chemical production where Schedule 2 chemicals are below the applicable concentration threshold when reacted, but subsequently are concentrated above the threshold during in-line processing.

## **Part 714 -- Activities Involving Schedule 3 Chemicals**

**Production** – Same clarifications as identified above under Part 713 - Activities Involving Schedule 2 Chemicals.

**Schedule 3 Production Range** – The final rule clarifies the procedures that must be followed when determining the range of Schedule 3 chemical production for a plant site during the previous year.

## **Part 715 -- Activities involving Unscheduled Discrete Organic Chemical (UDOCs)**

**UDOC "No Changes Authorization Form"** – The final rule creates a new form called the "No Changes Authorization Form" that may be submitted by a plant site to declare no



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updates or changes to information declared in the previous Annual Declaration on Past Activities. The plant site's activities continue to be declared to the OPCW and remain subject to inspection (if applicable) based upon the data reported in the previous annual declaration on past activities. The "no changes" form is intended to reduce paperwork burdens.

## **Part 716 - Initial and Routine Inspections of Declared Facilities**

*Inspections* – The final rule clarifies that an initial inspection is required for a new Schedule 2 plant site within the first year after submitting a declaration if at least one plant on the plant site produced, processed or consumed or anticipates producing, processing or consuming above the applicable threshold quantity in accordance with the CWC.

The final rule clarifies that the scope of inspections may include visual inspection of parts or areas of the plant site, in addition to plants (e.g., reaction vessels and ancillary equipment, control equipment) producing scheduled chemicals, in order to address any ambiguity that might arise during the inspection. The final rule also clarifies that photographs may be taken and formal interviews of facilities of facility personnel may be conducted.

Further, the final rule clarifies that technology subject to the International Traffic in Arms Regulations (ITAR) shall not be divulged to the OPCW Inspection Team without U.S. Government authorization. Facilities being inspected are responsible for identifying ITAR-controlled technology to the BIS Host team, if known.

*Facility Agreements* – The final rule clarifies that a Schedule 1 facility agreement should, to the extent possible, be concluded by the U.S. National Authority (in coordination with BIS) with the OPCW before a new Schedule 1 facility produces more than 100 grams aggregate of Schedule 1 chemicals.

*Records Review* – The final rule clarifies that the facility must provide the OPCW Inspection Team and the U.S. Government Host Team with appropriate accommodations in which to review relevant documents and must ensure that all relevant information will be available to the teams. In addition, this rule provides that, whenever a facility does not have access to records for activities that took place under previous ownership, it must inform BIS of this fact

upon receiving notification of an inspection. This will allow the Host Team to contact the previous owner of the facility and to request that such records be made available for verification (for provision to the Inspection Team), if necessary.

*Sample Taking* – The final rule clarifies that the analysis of samples provided by the owner, operator, occupant or agency in charge of a facility will be restricted to verifying the absence of undeclared scheduled chemicals unless agreed otherwise.

*Final Inspection Report* – The final rule adds a new provision to clarify that, upon receipt of the final inspection report from the OPCW, BIS will send a copy to the facility for its review. Facilities may submit comments on the inspection report to BIS within at least 7 working days from receipt, and BIS will consider those comments, to the extent possible, when commenting on the final report with the OPCW. BIS will also send facilities a post-inspection letter with instructions based on decisions made during the inspection (e.g., require submission of an amended declaration).

## **Part 717 – Clarification of Possible non-Compliance with the Convention; Challenge Inspection Procedures**

*Clarification Requests* – The final rule clarifies that BIS will contact a person or facility subject to an Article IX clarification request as early as practicable prior to the issuance of an official written request for clarification to a person or facility subject to the CWC. The rule further clarifies that a response to this request must be submitted within five working days from receipt of an official written request from BIS.

*Consent to Challenge Inspection* – The final rule adds a new provision to limit the time within which a person or facility must respond to a challenge inspection notification to four hours. If consent is not granted within four hours, BIS will seek a criminal warrant.

*Pre-Inspection Briefing* – The final rule adds a new provision that describes the requirement for a pre-inspection briefing for challenge inspections. Specifically, the final rule requires that, prior to the commencement of the challenge inspection, facility representatives must provide the OPCW Inspection Team and Host Team with a pre-inspection briefing on the facility to include: 1) the types of activities being conducted at the facility; 2) safety



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procedures that must be followed during the inspection; and 3) administrative and logistical arrangements necessary to facilitate the inspection.

*Sample Taking* – The final rule revises the provision to restrict analysis of samples to verifying the presence or absence of scheduled chemicals or appropriate degradation products unless agreed otherwise.

*Post-Inspection Activities* – Addition of the same provision as identified under Part 716, Initial and Routine Inspections of Declared Facilities.

## ***Part 719 – Enforcement***

*Violations* – The final rule clarifies the scope of violations under the CWC Implementation Act, including refusing access to “any record” required to be established or maintained by the Act or CWCR.

## ***Part 721 – Inspection of Records and Recordkeeping***

*Record Retention Responsibilities* – The rule clarifies the responsibilities for retaining records, and notifying BIS of address and contact information, if a facility is sold. The previous owner must retain all supporting materials and documents not transferred to the current owner and, if BIS deems them relevant to an inspection of the facility, arrange for access to such records.

## ***Further Information***

To learn more about the CWCR, please visit our website at [www.cwc.gov](http://www.cwc.gov) or contact BIS's Treaty Compliance Division at (703) 605-4400 or fax (703) 605-4424.